

**Figure 1 Reverse Transcriptase PCR demonstrates chondrogenesis.** The mRNA isolated from stem cells grown in collagen alginate beads and growth factors or a 1:5 dilution of growth factors was converted to cDNA. The PCR reactions were run with primers for collagen I or collagen II, and the housekeeping gene, GAPDH. Band intensities were background subtracted and normalized compared to GAPDH expression. C1:1, or the cell sample exposed to 10 ng/mL TGF-beta1 and 100nM Dexamethasone, demonstrated a ratio of collagen II to collagen I most similar to chondrocytes. C1:5, exposed to 2 ng/mL TGF-beta1 and 20nM Dexamethasone, showed a collagen II/collagen I ratio more similar to stem cells.

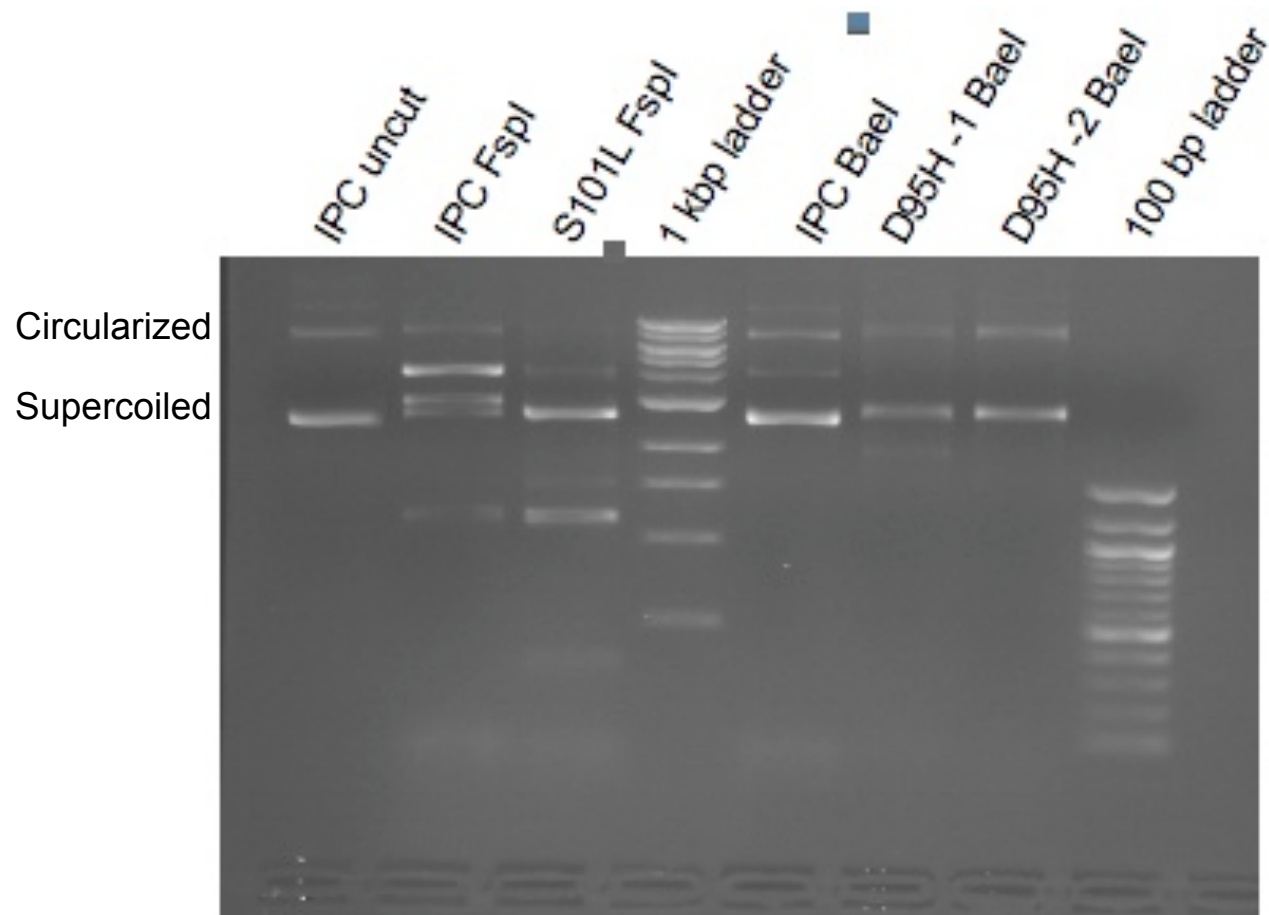


Figure 1 **Inverse pericam (IPC) parental and mutant digests.** In 1.2% agarose gel with 0.3  $\mu\text{g/mL}$  ethidium bromide, IPC and mutants S101L and D95H 1&2 were digested with FspI and BaeI as shown. BaeI samples digested at 37 C. Strong bands in BaeI digests similar to uncut IPC. There are faint bands present in FspI IPC and S101L and BaeI IPC and D95H-1. FspI S101L fragments of  $\sim 2600$ ,  $\sim 1100$ , and  $\sim 400$  are expected.